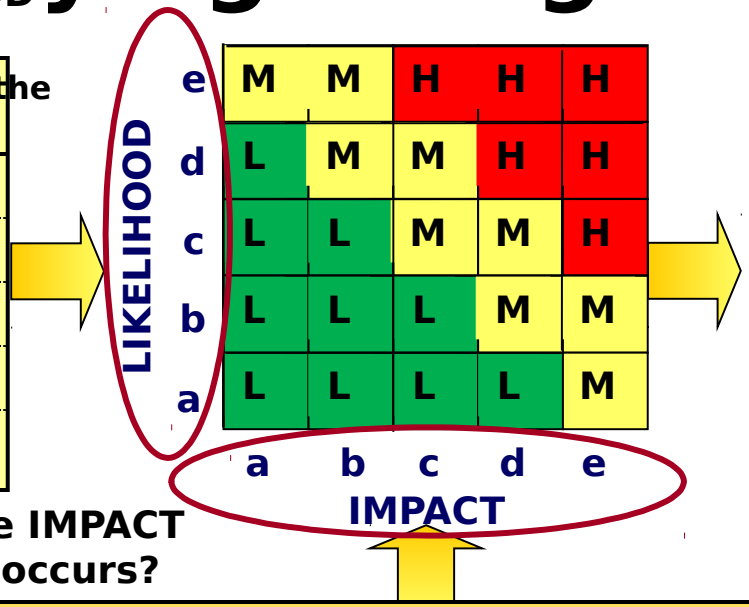
Risk Analysis Model – Tying it Together

1. What is the LIKELIHOOD an event will occur?

Level	What is the Likelihood the Risk Event will occur?
a	Remote
b	Unlikely
c	Likely
d	Highly Likely
e	Near Certainty



HIGH – Unacceptable. Major disruption likely; different approach required; priority management attention required.

MODERATE – Some disruption; different approach may be required; additional management attention may be needed.

LOW – Minimum impact; minimum oversight needed to ensure risk remains low.

2. What is the IMPACT if the event occurs?

	Technical Performance	And/or Schedule	And/or Cost	And/or Impact on Other teams
a	Minimal or no impact	Minimal or no impact	Minimal or no impact	None
b	Acceptable with some reduction in margin	Additional resources required; able to meet need dates	<5%	Some impact
c	Acceptable with significant reduction in margin	Minor slip in key milestones; not able to meet all need dates	5-7%	Moderate impact
d	Acceptable; no remaining margin	Major slip in key milestone or critical path impacted	7-10%	Major impact
e	Unacceptable	Can't achieve key team or major milestone	>10%	Unacceptable